

TRANSFER TO SCHOOL FUND

DESCRIPTION

The County School System is supported largely by local funds.

The transfer to Schools is the single largest expenditure category in the County budget.

FINANCIAL ACTIVITY

			FY2002		Change			
	FY2000	FY2001	Biennial	FY2002	FY2001 to	FY2003	FY2004	FY2005
	Actual	Adopted	Planned	Adopted	FY2002	Projected	Projected	Projected
State Sales Tax	\$33,175,380	\$35,430,500	\$37,562,400	\$37,203,900	5.0%	\$39,436,200	\$41,802,300	\$44,310,500
Debt / Operating	149,441,267	155,508,400	160,927,600	167,967,200	13.6%		183,203,400	
						176,681,700		189,823,000
CIP Reserve	5,807,700	5,950,500	6,476,600	6,485,200	9.0%	6,809,500	7,150,000	
								7,507,500
Comprehensive Services	<u>525,000</u>	<u>525,000</u>	<u>540,800</u>	<u>595,000</u>	13.3%	<u>595,000</u>	<u>595,000</u>	<u>595,000</u>
Subtotal	188,949,347	197,414,400	205,507,400	212,251,300	7.5%	223,522,400	232,750,700	242,236,000
Use of Rsvs/Prior Years	2,092,900	4,656,800	0	3,822,400	-17.9%	0	0	0
Grounds Maintenance	1,274,800	1,319,900	1,372,700	1,364,200	3.4%	1,411,900	1,461,300	1,512,400
Rsvs-FY2001 Salary Incr.	N/A	1,004,800	0	0	N/A	N/A	N/A	N/A
Governor's School	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	0.0%	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Subtotal	192,517,047	204,595,900	207,080,100	217,637,900	6.4%	225,134,300	234,412,000	243,948,400
Non-Transferred Expense	<u>3,775,000</u>	<u>4,086,700</u>	<u>4,086,700</u>	<u>4,545,500</u>	11.2%	<u>4,545,500</u>	<u>4,545,500</u>	<u>4,545,500</u>
Total	\$196,292,047	\$208,682,600	\$211,166,800	\$222,183,400	6.5%	\$229,679,800	\$238,957,500	\$248,493,900

BUDGET ANALYSIS AND EVALUATION

The transfer to schools (net of non-transferred expenditures) is \$217,637,900 for FY2002, an increase of \$13,042,000 or 6.4% over the FY2001 Adopted level. The County transfer to Schools is comprised of the following: state sales tax anticipated to be received by the County (based on average daily membership in schools), debt service and other operating expenses, transfer to the Reserve for future Capital Improvements, transfer to the Comprehensive Services Fund, and transfer for grounds maintenance. Due to the consolidation of the two School internal service funds into the School operating fund, the transfer for mail delivery and

warehouse services is now included with debt/operating expenses. Each of these categories is itemized in the financial activity section above.

The net tax transfer to Schools, based on a tax rate of \$1.08, has been formulated based on a revised methodology which was first used in FY1999. The revised methodology compares growth in school enrollment to growth in the total population. Prior to FY1999, the local transfer to Schools was a set percentage of net property taxes, rather than a percentage based on this comparison.

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Also included in this transfer figure are detailed costs associated with Schools for services that are either performed by and paid for in the General Fund or for donations made on behalf of schools

that are directly paid for in the General Fund. Some of the services performed by County departments are as follows:

Fire Safety Education Program performed in schools	\$ 229,100
School Resource Officer Program (for high schools and middle schools) (see paragraph below) (net of school charge of \$21,000)	1,413,100
School Crossing Guards	97,000
School Health Nurses	918,100
Prevention school-based programs provided by the Dept. of MH/MR/SA (pre-school screenings, assistance in development of specialized education programs, and teacher training and consultations)	60,800
Public Library staff services provided at school sites as well as school groups visiting the libraries (estimated 399 programs for over 27,200 students)	18,500
Donations/contracts for in-house concerts, volunteer services, museums, etc.	267,900
Administrative services provided beyond those that are charged (i.e. use of financial and payroll systems, services provided by the Treasurer's Office, etc.). These costs are detailed in the County's FY99 annual cost allocation plan.	<u>\$1,541,000</u>
TOTAL	\$4,545,500

Annually, the County funds numerous items and programs which either directly or indirectly benefit County Schools and students. Some of these items are described below.

The FY2002 Budget recommends a donation of \$25,000 to Virginia State University and \$10,000 to Richard Bland College for scholarship programs that would directly benefit Chesterfield County students. The FY2002 Budget also recommends a \$20,000 donation for the YMCA Harrowgate Elementary after school program, \$25,000 for the Science Museum, and \$7,500 for the Children's Museum.

In addition, the FY2002 Budget recommends \$25,000 in Community Development Block Grant funds for the Communities in Schools Program, \$17,000 for the

Ettrick Elementary School Parent Liaison Program, \$6,000 for the Bensley Elementary School Tutorial Program, and \$10,000 for the Academic Achievers Plus Program at the Children's Home of Virginia (which is located in Chesterfield County). In FY2002 a \$200,000 contribution has been identified for the Governor's School. Chesterfield County has committed \$200,000 a year for the renovation of Maggie Walker High School, the new home of the Governor's School. The County will also contribute \$100,000 (for the sixth consecutive year) in FY2002 to Virginia Commonwealth University's School of Engineering. The County made a second commitment to contribute \$500,000 (for a total County commitment of \$1 million) to the VCU engineering school to boost regional education efforts

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in direct response to the expanding computer microchip industry in Central Virginia.

A second educational building is anticipated to be occupied in March 2001 at Henricus Historical Park. This 7,500 square foot building will include additional classroom space to allow for interactive learning experiences for County school field trips. The County is contributing \$350,000 for this building (over three fiscal years in the County's Capital Improvement Program) and in FY2002 will also be funding annual operating (utility, telephone, etc.) costs of \$17,100.

The School Resource Officer Program was expanded in FY1999 to include all high schools and middle schools in the County. This program places one full-time police officer in each school. For further detailed information on this program, refer to the Police Department narrative.

Not included in the above total is an estimate for public library teacher cards and related items circulated for an estimated cost of \$76,236.

Below is a list of County services which will be charged directly to the School operating fund in FY2002:

General Fund

Accounting services	514,900
Audit fees	31,200
School Health Nurses (7)	337,800
Purchasing Services	126,800
Police - Child Safety Program	301,600
School Resource Officer at Turning Point Academy	21,000
Debt Service on new financial system	46,400
Information System Technology Services	212,400
Grounds Maintenance	<u>1,364,200</u>
General Fund Total	2,956,300

Other

Risk Management	1,638,600
Garage/Radio Maintenance (estimate)	<u>3,109,200</u>
Other Total	<u>4,747,800</u>
TOTAL	<u>\$7,704,100</u>

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WHERE ARE WE GOING?

The General Fund transfer to Schools for FY2003 (net of ancillary services provided by County departments) is estimated at \$225,134,300 or 3.4% above FY2002; for FY2004 is \$234,412,000 or 4.1% above FY2003, and for FY2005 is \$243,948,400 or 4.1% above FY2004, respectively.

Projections for the General Fund transfer include state sales tax anticipated to be received and a general property tax transfer (at the tax rate of \$1.08) which is based on the ratio of school enrollment as a percentage of population, net of tax relief for the elderly, and School's share of an increase to General Fund Balance (to maintain level at 7.5% of expenditures). Also included in the calculations is funding for debt service issued on VPSA bonds for six full sized gyms and the John Tyler Community

College, transfer for postal/warehouse services, and \$200,000 each year for the renovation of the Maggie Walker Governor's School.

The County's FY2002-FY2007 Capital Improvement Program recommends \$750,000 for miscellaneous improvements to school athletic facilities, \$680,000 for construction of additional parking spaces, utility connections, and other site improvements at the Midlothian High School Sports Complex, and \$250,000 for field upgrades, athletic lighting, and new fields at the Manchester Middle School Athletic Facilities. These facility upgrades will enhance each school site for use by the physical education programs as well as School associated functions (football games, baseball games, etc.).